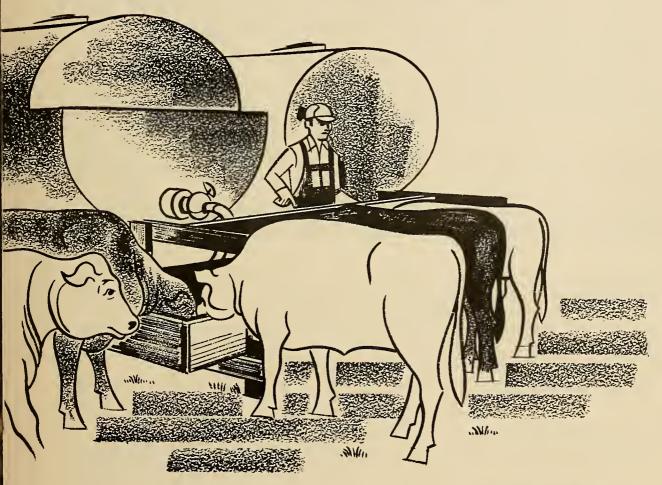
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MARKET SUMMARY 1971

AGRICULTURAL MARKETING SERVICE
U. S. DEPARTMENT OF AGRICULTURE, HOUSTON, TEXAS

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MOLASSES MARKET NEWS - ANNUAL SUMMARY

HIGHLIGHTS OF 1971

Feeding cane molasses prices advanced the first months of the year, leveled during the April-August period, then began a gradual decline. Despite late downturns prices for the year averaged about 5% above a year ago. Total usage of molasses was slightly below a year ago.

PRICES

Cane Molasses Prices

Cane molasses prices were influenced heavily during the fall period by weaker feed grain prices. The prices at New Orleans, the principal market, closed out the year about 1¢ per gallon above a year ago as tightly held supplies countered the interior weakness and pressures by other feed commodities. Interior markets also ended the year with higher prices but in most instances reflecting higher freight rates imposed during the year.

Beet Molasses

Prices of beet molasses turned upward about 60% per ton in the Colorado-Wyoming-Montana area where supplies were tightly held and used primarily in local feeding areas. In other principal production areas prices held steady with an even balance between supplies and demand.

Citrus Molasses

Decreased supplies in the Florida production area and the continuation of adding the molasses to citrus pulp kept liquid supplies in short position. Prices averaged \$19.00 per ton for the year, about \$1.50 above a year ago.

Comparative Values

The price relationship between corn and molasses, for the first time in three years, favored corn at principal Mid-Western markets. Based on the average for the year, the difference is fairly narrow, but the monthly comparisons show a wider value spread late in the year--14¢ in favor of corn at Chicago in the month of December. The favorable corn value reflects the lower priced corn due to the years bumper crop.

SUPPLY AND DISTRIBUTION

Production of mainland blackstrap in 1971 was estimated to be about 1 1/2 million greater than 1970. In-shipments from Hawaii and Puerto Rico decreased about 8 1/2 million gallons. Assuming an extraction rate of 5.4 gallons per ton of beets, the production of beet molasses in 1971 would be down about 8 million gallons from the record 158.7 gallons produced in 1970 harvest season. Molasses imports from foreign countries totaled near 400 million gallons, an increase of 18 million gallons over last year. This volume continues the upward trend of recent years and indicates an agressive demand for molasses by cattle feeders.

- 3 -

Table 1.--Molasses, blackstrap: Prices by months, f.o.b. tank car or tank truck, 1970-71

15.70	15.70	15.70	15.70	16.20 16.95	16.20 16.95	20.00	20.50	19.90	5 20.85 20.85 21.40 0 22.00 22.05 22.30 (Continued on next page)
15.00	15.00	15.00	15.00	15.50	15.50	19.50	20.20	19.30	20.85 22.05 d on ne
15.00	15.00	15.00	15.00	15.50	15.50	19.50	20.20	19.30	20.85 22.00 ontinue
15.00	15.00	15.00	15.00	15.50	15.50	19.50	20.20	19.30	20.85 21.90 (C
15.00	15.00	15.00	15.00	15.50	15.50	19.50	20.20	19.30	20.80
15.00	15.00	15.00	15.00	15.50	15.50	19.50	20.20	19.30	20.80
15.25	15.25	ia 15.25 17.00	15.25	15.75	15.75	19.75	20.30	<u>i</u> 19.60 22.00	21.00 22.50
Norfolk 15.70 17.00	Baltimore 16.00 15.70 17.00 17.00	Philadelphia 16.00 15.70 1 17.00 17.00 1	New York 0 15.70 0 17.00	Boston 16.20 17.50	Albany 16.20 17.50	Buffalo 20.20 21.50	<u>Toledo</u> 20.60 21.95	Cincinnati 0 20.00 5 21.80	Minneapolis 60 21.40 80 22.50
16.00 17.00	16.00 17.00	Phi 16.00 17.00	16.00 17.00	16.50	16.50	20.50 21.50	20.70	20.30 21.95	Min 21.60 22.80
16.50	16.50	16.50	16.50	17.00	17.00	20.50	20.90	20.60	22.20
16.50	16.50	16.50	16.50	17.00	17.00	20.50	20.90	20.60	22.20
16.50	16.50	16.50	16.50	17.00	17.00	20.50	20.90	20.60	22.20
16.50	16.50	16.50	16.50	17.00	17.00	20.50	20.90	20.45	22.20
• • • • • • • • • • • • • • • • • • • •					- · · · · · · · · · · · · · · · · · · ·				• • • • • • • • • • • • • • • • • • • •
1970 1971	1970 1971	1970	1970	1970	1970	1970	1970	1970	1970

Prices by months, f.o.b. tank car or tank truck, 1970-71 Table 1.--(Continued)--Molasses, blackstrap:

Year	Jan.	Feb.	Mar.	Apr. :	May	June :	July:	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
					Cents per		gallon						
1970	20.90	20.90	20.90	20.90	20.50 21.95	Chicago 20.55 21.65	20.20	19.80	19.80	19.80	19.80	19.80	20.30
1970 1971	21.60	21.60	22.15	21.60	21.00 21.80	Louis 20.30 21.80	19.40	18.60	18.70	19.20	19.20	19.20	20.20
1970	21.40	21.40	21.40	21.40	Kan 20.95 22.80	Kansas City 95 20.85 80 22.85	Z0.40 22.85	20.10 22.85	20.10	20.10	20.20	20.30	20.70
1970	21.85	21.95	21.95	21.95	21.05	Omaha 21.05 22.80	20.80	20.55	20.55	20.55	20.55	20.55	21.10
1970	21.05	21.05	21.05	21.05	20.50 22.15	Memphis 20.35 21.95	20.10	19.90	19.90	19.90	19.90	19.90	20.40
1970	23.25 23.45	23.25	23.25 23.80	23.10 24.65	22.60	Denver 22.50 24.70	22.20	21.95	21.95	21.95	22.15	22.70 24.10	22.60
1970	17.35	17.35	17.35	17.35	Calif 16.90 16.75	California Ports 6.90 16.75 16. 6.75 16.45 16.	orts 16.75 16.45	16.75	16.75	16.75	16.75	16.75	17.00
1970	17.35	17.35	17.35	17.35 17.35	Pacific 16.90 17.35	Northwest Ports 16.75 16.75 17.35 17.35	st Port, 16.75 17.35	16.75 17.35	16.75	16.75	16.75	16.75	17.00

Table 2.--Molasses, beet, citrus and corn (hydrol): Prices by months, f.o.b. tankcar or tank truck, 1970-71

					;	,	1						- 1
Year	Jan	reb.	: Mar. : Apr. : May : June : July : Aug. : Sept.: Oct. : Nov. : Dec.	Apr.	May	onne:	July:	Aug.	Sept.:	Oct.:	Nov.	Dec.	Av.
	•••				Dol	Dollars per ton	r ton						
Beet molasses	•			5	, (n	•	e e						
1970	37.40	37.40 36.40	37.40	37.40 36.55	37.40 36.90	.40 37.40 37.40 35.15 35.15 .55 36.90 37.40 37.40 37.40 37.40	35.15 37.40	35.15 37.40	35.15	35.60	35.75	35.75	36.40
1970	37.00 37.00	37.00	37.00 37.00	37.00	Oregon, 37.00	37.00 37.00 37.00 37.00 37.00 37.00 37.00	Utah and Idaho 37.00 37.00 37.00 37.00	37.00	37.00	37.00 37.00	37.00 37.00	37.00 37.00	37.00 37.00
Citrus molasses	17.50	17.50	16,00	16,00	17.50	Florida Points 17,50 17,50 17,50	ints 17.50	17.50	17.50	17.50	18.40	19.00	17.50
1971 19.00	19,00		19,00	19.00	19.00	19,00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
1970	33.00	33,00	33.00	33.00 31.50	32.50	32.50 31.80 32.75 33.00	31.00	30.00	30.00	30.00	30.00	30.25	31.50 32.05
1970	33.00 31.00	33.00	33.00	33.00	32.50 32.75	<u>Kansas City</u> 32,50 31,80 31,00 32,75 33,00 33,00	31.00	30.00	30.00	30.00	30.00	30.25	31.50

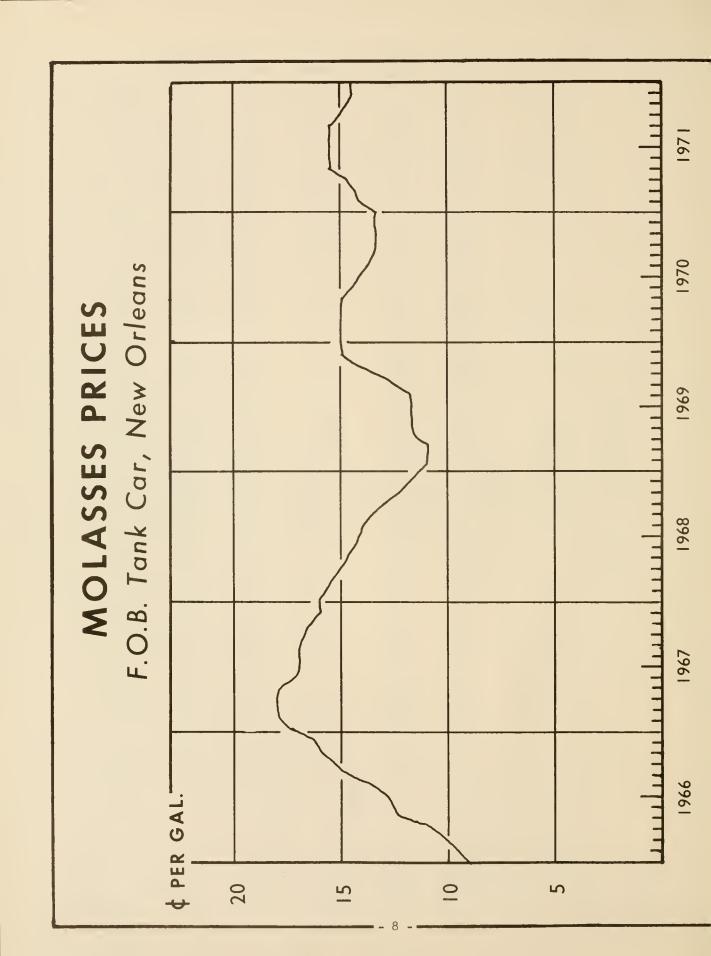


Table 3.--Price comparisons between molasses and No. 2 yellow corn at Baltimore, Chicago and Kansas City, 1967-71 1/

:	F	Baltimore		:	Chicago		: K	Cansas City	
Year:	Corn	:Molasses:	Differ-	: Corn	:Molasses:	Differ-	: Corn	:Molasses:	Differ-
:	bu.	: 6½ gal.:	ence	: bu.	: 6½ gal.:	ence	: bu.	: 6½ gal.:	ence
:					Cents				
1967:	133.0	117.5	+15.5	129.5	145.0	-15.5	129.6	146.3	-16.7
1968:	114.0	100.1	+13.9	113.8	124.7	-10.9	119.6	125.8	- 6.2
1969:	130.0	92.3	+37.7	123.5	120.3	+ 3.2	125.2	119.0	+ 6.2
1970:	143.5	102.1	+41.4	137.3	132.0	+ 5.3	136.0	134.6	+ 1.4
1971:	143.8	106.9	+36.9	138.6	138.8	- 0.2	138.8	145.0	- 6.2

1/ A "rule of thumb" measure -- 6-1/2 gallons of molasses are about equivalent in carbohydrate value to one bushel of corn--is widely used to compare the carbohydrate value of molasses and corn. This measure is based on experiments conducted to evaluate the energy produced from one bushel of corn and the amount of molasses required to produce the same amount of energy.

Table 4.--Molasses: Hawaiian and Puerto Rican production, shipments to the U. S. mainland, and exports to other countries, 1967-71

•	Hawa	aii	:	Puerto Rico)
•		: Shipments	:	: Shipments	: Exports
Year	Production	: to U.S.	: Production	: to U.S.	: to other
:		: mainland	:	: mainland	: countries
:	<u>1</u> /	: 2/	: 3/	: 4/	: 4/
			1,000 gallons-	-	
1967:	61,419	55,662	52,100	5,618	14,120
1968:	62,936	66,157	43,955	6,201	9,134
1969:	58,198	48,430	41,600	4,614	5,893
1970:	55,143	56,937	45,412	3,193	8,794
1971 5/:	56,469	50,111	30,930	1,452	2,419

^{1/} Statistical Reporting Service, U. S. Department of Agriculture.

2/ Hawaiian Sugar Planters Association.

5/ Estimated.

Association of Sugar Producers of Puerto Rico.
 Bureau of the Census, U. S. Department of Commerce.

Table 5.--Molasses, inedible: U. S. imports by country of origin and customs districts, 1971

•	Arizona :0	onnect-	Fl Paso	Florida	Galveston	Ceorgia
<u></u> :	12014	icut	<u>· </u>		darvasari	deorgia
:			1,000 ga	allons		
Australia	-	-	-	-	-	-
Barbados	-	-	-	-		-
Brazil	-	-	-	-	2,170	-
British Honduras:	-	-	-	-	-	817
Canada:	-	-	-	-	-	-
Canal Zone	-	-	-	-	-	-
Colombia	_	-	-	-	-	-
Costa Rica	-	-	_	_	-	-
Dominican Republic:	-	-	-	-	2,765	_
Ecuador	-	-	-	_	-	-
El Salvador:	-	-	-	-	-	_
France	-	8,095	-	-	-	-
Guatemala:	_	-	_	-	_	_
Guyana	-	-	_	_	_	1,507
Haiti	-	-	_	-	_	-
Honduras	-	_	_	-	-	581
Jamaica	-	_	_	_	_	339
Kenya	_	_	_	_	_	_
Mauritania	_	_	_	~	_	_
Mauritius	_	_	_	_	_	_
Mexico	6,149	_	11,547	_	-	-
Mozambique	_	_	_	1,123	_	_
Netherlands	_	_	_	_	_	_
Nicaragua	-	_	_	_	_	_
Other Pacific Island:	_	_	-	_	_	_
Pakistan	_	_	_	_	_	-
Panama	_	_	_	_	_	_
Peru	_	_	_	_	1,657	_
Philippines:	_	_	_	_		_
Republic of South Africa:	_	1,666	_	_	_	_
		_,				
Sudan	_	_	_	_	_	_
Trinidad and Tobago:	_	_	_	_	_	3,802
Venezuela	_	_	_	_	_	-
Total 1971 <u>1</u> /	6 1/9	9.761	11,547	1,123	6,592	7,046
Total 1970	3,498	11,280	15,335	3,642	8,045	7,247
1/ Includes 211 000 gallor						

^{1/} Includes 211,000 gallons imported into the Chicago District and 1,539,000 into the Ohio District.

Table 5.--Molasses, inedible: U. S. imports by country of origin and customs districts, 1971

Houston	Laredo	Los Angeles	: Maine : & N.H.	Maryland	Massachus-:	Mobile
			1,000 gallo	ns		
9,505	-	-	-	1,741	-	3,656
4,197	-	_	104	-	-	-
2,086	802	-	- 157	-	-	-
			171		_	_
1,413	-	-	-	-	-	-
956 3,422	-	372	_	2,123	2,887	-
2,700	-	1,385	-	-	-	1,636
-	-	3,739	-	_ -	-	-
- 6,704	-	-	-	684 -	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
194 4,698	-	-	-	2,486	-	-
-	-	-	-	4,913	-	2 000
3,029	-	-	-	9,740	-	3,099 3,335
17,399	2,690	14,864	-	4,549	-	1,927
-	-	-	<u>-</u> -	1,919	-	-
1,110	-	4,748	-	-,,-,	-	2 400
734	-	-	-	-	-	3,409
- 953	-	-	-	-	_	2,217
7,571	-	200	-	-	-	1,038
- 691	-	2,353 -	-	-	-	-
2,589	-	_	_	_	-	-
2,806	-	-	-	3,308 -	-	- 2,966
	2 :22	00 ((3	0/7	27. 1/0	o ddn	
72,757 57,973	3,492 1,286	27,661 17,718	261 173	31,463 20,132	2,887 3,305	23,283 13,028

(Continued on next page)

Table 5.--Molasses, inedible: U. S. imports by country of origin and customs districts, 1971 (continued)

•	New	: New		: Phila-:		: Puerto
	Orleans	: York		a: delphia: gallons	_ land	: Rico
Australia	12,864 22,025 883	2,520 1,535 - -	- - - -	2,583 - -	787 - - -	- 6,096 - -
Canal Zone	80 1,197 - 6,123 2,334	1,245 - 2,021 1,706	- - 4,341 -	- - 1,004 -	- - - -	- - 2,552 -
El Salvador France Guatemala Guyana Haiti	1,755 - 754	2,800 - 1,203 3,437	-	- - - -	- - - -	- - - - 643
Honduras	551 3,091 3,422 2,525	4,670 3,171 - 3,368	-	- - - -	- - - -	- - - -
Mexico	43,033	1,584 - - -	- - - -	- - - -	- - - -	- - - -
Pakistan Panama Peru Philippines Republic of South Africa	1,442 9,180 - 1,494	7,923 - - 6,683	-	- - - -	- - - -	- - - -
Sudan	-	933	- - -	2,136	-	-
Total 1971		44,799 50,739	4,341 3,635	5,723 7,076	787 -	9, 2 91 7,091

Bureau of the Census

Table 5.-- Molasses, inedible: U. S. imports by country of origin and customs districts, 1971 (continued)

Sabine	San :	San :	Vermont :	Virginia :	Washing-	Total :	Total
Davine	Diego :	Francisco:	•		ton	1971	1970
			1,000 ga	llons			
				1 000	1 (00	0. 505	ad 010
-	-	-	-	1,907	1,607	34,587	28,010
-	-	-	-	-	-	1,639	8,862
-	-	-	-	-	-	37,071	32,633
-	-	-	12	-	-	4,588 169	5,365
-	-	-	12	-	-	109	419
_	_	_	_	_	_	80	
		_	_	_	_	3,855	8,090
	_	_	_	_	_	1,328	837
_	_	_	55	_	_	27,293	34,325
_	_	_	-	_	_	9,761	9,674
						,,	7,014
PG.	1,519	-	-	-	-	5,258	6,139
_	_	_	_	-	-	11,579	14,015
_	_	_	_	_	-	8,459	6,801
_	_	_	_	-	-	2,710	5,839
_	-	_	-	-	_	4,834	4,167
						·	-
-	-	-	-	-	-	1,326	1,215
-	-	-	-	-	-	15,284	18,376
-	-	-	-	-	-	11,506	7,422
-	-	-	-	-	-	5,624	3,727
-	-	-	-	-	-	19,472	5,958
7 400	7.00			0.100		105 000	da ode
1,423	190	-	-	2,107	-	105,878	81,387
-	-	-	-	-	-	2,707	3,340
-	1 400	-	-	_	-	1,919	5 15/
-	1,490	-	-	-	-	9,100 4,143	5,154 3,447
-	-	_	_	_	-	4,147	2,441
_	_	_	_	_	_	10,140	9,898
	_		_	_	_	2,395	2,655
_	_		_	_	_	19,646	11,675
	1,154	4,832	_	_	_	8,339	10,665
_	-,-/4 -	+,~ <i>)</i> ~	-	_	_	10,534	11,341
						3-2-7	
_	_	_	-	-	_	2,589	-
_	-	_	-	-	_	10,179	13,875
_	-	-	-	-	_	5,772	2,838
1,423	4,353	4,832	67	4,014	1,607	399,764	-
3,647	4,804	4,840	411	3,612	1,585	_	381,859 <u>2</u> /
					0.0	2 2 21 2	0/0

^{2/} Includes imports in 1,000 gallons from: Bahamas 843: Cambodia 1,969; Greece 1,247; India 5,554; Israel 3,348; Leeward and Windward Islands 1,273; Morocco 3,947 and United Kingdom 5,529.

Table 6.--Molasses, inedible: U. S. exports by country of destination and customs districts, 1971

	De- troit	Duluth	Floride	Great Falls	New Orleans					Seattle:	Total 1971	
					1	,000 g	allons-	-		_		
Canada:	116	21	-	356	-	-	454	-	-	-	947	1,277
Costa Rica:	-	-	4	-	-	-	-	-	-	-	4	-
Ghana:	-	-	-	-	6	-	-	-		-	6	_
India	-	-	-	-	-	-	-	-	-	-	-	92
Israel:	-	-	~	-	741	-	-	-	-	-	741	5
Mexico	-	-	-	-	-	-	-	-	14	-	14	64
Netherlands:												
Antilles:	-	-	-	-	-	-	-	-	-	-	-	2,254
Netherlands:		-	-	-	-	-	-	2,419	-	-	2,419	6,540
United Kingdom.:	-	-	-	-	-	6	-	-	-	-	6	9
Total 1971:		21	4	356	747	6	454	, .			4,137	
Total 1970:	361	-	-	64	106	-	712	8,794	64	140	-	10,241

Bureau of the Census

Table 7.--Molasses: Estimated utilization, United States, 1967-71

:		Indus	:Mixed feeds,:			
Year	Distilled spirits	: citric acid	: Pharmaceuti- : cals and edi- : ble molasses :	Total	:direct feed- : ing and : silage <u>l</u> /	: utilization
			Million gallons			
1967	28.7 17.8	100.0	51.5 52.5	180.2 170.3	503.3 567.9	683.5 738.2
1969	6.2 7.6	100.0	53.5 54.0	159.7 161.6	559.5 604.1	719.2 765.7
1971 2/:	7.7	94.0	54.2	155.9	604.7	760.6

 $[\]underline{1}^{\prime}$ Molasses utilized in feeds is estimated by subtracting molasses used industrially from estimated mainland supplies without considering changes in stocks.

2/ Estimated

Table 8.--Feed and industrial molasses: U. S. production, inshipments, imports, and exports, 1964-71

:	Production							
:	Cane							
Year :	Mainland :	Refiners'	:Inshi	Inshipments:				
1697	mills 1/	black- strap <u>2</u> /	Hawaii 3/	Puerto Rico 4/	Total cane			
:1,000 gallons								
:								
1964-68 :	0.5 0.50		~~ ~~					
average.:	91,058	42,801	<i>5</i> 7, <i>3</i> 20	12,009	203,188			
1969	74,139	42,700	48,430	4,778	170,047			
1970:		46,600	56,937	3,193	192,767			
1971 <u>7</u> /:	87,500	45,000	50,111	1,452	184,063			

	:_		Production		:		: :	
We on	:	Beet	Citrus	Hydrol	:Estimated: : domestic:		: U.S. :	
Year	• •	Deet	OIDIUS :	-		-		
	:	5/	<u>6</u> /	7/	: supplies:	<u>8</u> /	: exports:	supplies
	:			1,000	gallons			
	:			ŕ				
1964-68	:							
average.	:	119,791	9,835	24,251	357,065	313,447	2,507	668,005
	:	~~			0/0 170	01- 110		~~~ ~~~
1969		155,700	13,732	21,000	360,479	361,663	2,992	719,150
1970		158,700		22,000	385,275	381,859	1,447	765,687
1971 7/	:	146,300	10,215	22,000	362,578	399,764	1,718	760,624

^{1/} Statistical Reporting Service, U.S. Department of Agriculture

2/ Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture

^{3/} Shipments to U.S. mainland only. Hawaiian Sugars Planters Association.
4/ Shipments to U.S. mainland only. Bureau of Census.
5/ Year beets harvested. Agricultural Stabilization and Conservation

Service.

^{6/} Florida Citrus Processors Association. 7/ Estimated.

^{8/} Bureau of the Census, Department of Commerce.

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